

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Suits- Arbitration- Sanction for an amount of Rs. 38,178/- towards balance decretal charges to be deposited to the credit of O.S. No. 73/1996 on the file of the Principal senior Civil Judge Court Ongole in respect of the work relating to "Balance earth work in execution of Main Canal from M.97/1+000 to M.97/2+000" entrusted to Sri D. Satyannarayana, Contractor vide Agreement No. 13/1986-87 dated. 25.03.1987 –Orders- Issued.

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**IRRIGATION&CAD (IW: ARBITRATION) DEPARTMENT**

G.O Rt.No. 1386

Dated:26.12 .2012

Read the following

From the CE, NSP Camp Office, Guntur Lr. No. CE/NSP/GNT  
/OT.2/ AE.1/2228/91, dated.29.08.2012

**ORDER**

The Chief Engineer , Nagarjuna Sagar Project, Guntur, in his letter read above has stated that the work relating to "Balance earth work in execution of Main Canal from M.97/1+000 to M.97/2+000" was entrusted to Sri D. Satyanarayana, Contractor by the Superintending Engineer, N.S.C. Circle, Pellur, in Agreement No. 13-SE/86-87, dt.25.03.1987 with a contract value of Rs.4,01,181/- at 5.96% excess with the period of completion within four(4) Months as per agreement. The site for the above work was handed over to the Contractor on 09.05.1987. The value of the work done by the Contractor till the agreed date of completion is Rs.1.45 Lakhs and the value of balance work is Rs.2.56 Lakh. Extension of time was granted up to 04.08.1988 by the Superintending Engineer, N.S.C. Circle, Pellur, vide Memo. No.755-M, dt.21.07.1988. Value of the work done by the Contractor during the extension of the time is Rs.1.77 Lakhs. Again the Contractor applied for extension of time and approved by the Superintending Engineer, N.S.C. Circle, Pellur, upto 31.07.1989.

2. The Contractor has filed O.P. No.2/91 in Sub-Court, Markapur, for appointment of sole Arbitrator, Counter was filed in O.P.No.2/91 in the Court of the Subordinate Judge Court, Markapur. The Court appointed panel of Arbitrators. Award was passed by the panel of Arbitrators on 25.04.1996, and filed the award in the Sub-Court, Markapur, on 25.06.1996. The Contractor has filed O.S.No.73/96 in the Sub-Court, Markapur, to make the award as rule of Court. Counter was filed by the Executive Engineer, Quality Control & Inspection Division, Vinukonda, against O.S. No.73/96. The judgement and decree dated.07.03.2001 in O.S. No.73/96 was delivered by the Court of Senior Civil Judge Court, Markapur. The Government Pleader for----

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Arbitration, High Court of Andhra Pradesh, Hyderabad, has opined that there are good grounds to appeal before the Hon'ble High Court of Andhra Pradesh, Hyderabad. Based on the opinion of the Government Pleader, Andhra Pradesh High Court of A.P., Hyderabad, CRP/SR.93214/2002 has been filed against the above judgment and decree. In the mean while, the Contractor has filed E.P. No.301/2002 in O.S.No.73/1996 in the Court of Senior Civil Judge Court, Ongole, It was informed by the Government Pleader that Andhra Pradesh High Court, Hyderabad, granted interim stay of all further proceedings in O.S.No.73/96 on the file of the Senior Civil Judge Court, Markapur, including E.P. No.301/2002.

3. The Hon'ble High Court, Andhra Pradesh, Hyderabad, has passed orders dated 13-08-2009 in CRP No:1498/2003. The contractor has filed E.P. No.301/2002 in O.S.No. 73/1996 in the Court of Principal Senior Civil Judge at Ongole for the payment of . Rs.2,14,435.74/-. As per the calculation, the Executive Engineer, O&M Division, Darsi had paid an amount of Rs.1,84,888/- to the contractor through the Principal Senior Civil Judge Court, Ongole on 07-07-2011. After receiving the amount, the contractor has again filed E.P. No.34/2010 in O.S.No.73/96 in the Principal Civil Judge Court, Ongole on 21.09.2011 requesting for further payment for Rs.38,178/-.

4. The CE , NSP Camp Office, has further stated that the interest contains two parts:-

1. From the date of payment of final bill to date of filing of suit i.e. from 11.07.1990 to 22.07.1996.
2. From date of filing of suit to till the date of realization i.e. from 22.07.1996 to till realization.

5. The Lower court in its decree in O.S.No.73/1996, dated.07.03.2001, has ordered for payment of @12% interest for the entire period i.e. from 11.07.1990 to till realisation. Towards increase in the cost of execution fixed the amount to be paid as Rs.1,26,497/- with interest @12% P.A. on Rs.73,418. Similarly the amount to be paid for idle labour and machinery is fixed as Rs.14,271.95/- with interest @12% P.A. on Rs.8,280/-

6. Later, the interest was reduced by the Hon'ble High Court from 12% to 6%. Treating that the reduction applies to the interest on both the above parts. Accordingly, the amounts were worked out and accordingly, an amount of Rs.1,84,888/- was paid as per G.O. Ms. No.114, I&CAD(IW:ARB) dated: 30.10.2010. But now, the petitioner submitted revised calculations, indicating, reduction in interest applies to second part of interest only and also further on Rs.1,84,888/- to the date of payment and the omitted items like cost of suit and advocate fee etc. As per the legal opinion of the Assistant Government Pleader, Ongole, the additional amount has to be paid to the contractor.

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The revised calculations are prepared as per the legal opinion and balance amount to be paid is Rs.38,178/-.

7. Government after careful examination of the above matter, hereby accord sanction for an amount of Rs. 38,178/- ( Rupees Thirty Eighty thousand One hundred Seventy eighty only) towards balance decretal charges to be deposited to the credit of O.P. No. 73/1996 on the file of the Principal senior Civil Judge Court , Ongole, in respect of the work relating to Balance earth work in execution of Main Canal from M.97/1+000 to M.97/2+000” entrusted to Sri D. Satyannarayana, Contractor, vide Agreement No. 13-SE/86-87, dt.25.03.1987.

8. The amount sanctioned in para ( 07 ) above shall be debitable to the detailed Head of Account Under “ **MH. 2701-M&MI; 01-MI(Commercial); 101-N.S.Project; Normal State Plan; SH.27- Canals Distributaries; 530-Major works;531-OE .** ”

9. The Chief Engineer, NSP , Guntur is, therefore, directed to deposit the above sanctioned decretal amount in the respective Court to the credit of O.S. No. 73/1996 for avoiding further legal complications in EP No. 301/2010 pending before the Principal Senior Civil Judge Court, Ongole.

10. This order issues with the concurrence of Finance (W&P) Department vide their U.O. No.3815/F2(1)/2012, dated. 26.11.2012.

( BY ORDER AND IN THE NAME OF THE GOVERNER OF ANDHRA PRADESH)

**AJOYENDRA PYAL**  
**SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To

The Chief Engineer , Nagarjuna Sagar Project, Guntur

The Accountant General, A.P. Hyderabad.

The Director of Works Accounts, A.P Hyderabad.

The District Treasury Officer, Ongole Prakasam Dist.

The Pay and Accounts Officer, Ongole Prakasam Dist

The Superintending Engineer Irrigation Circle Ongole Prakasam Dist

Copy to

The P.S. to Minister (M& MI)

The P.S to Special Chief .Secy. to Govt., I&CAD Department.

The Finance (W&P) Department

The Law (B)Department

The I & CAD (P&B) Department.

S.F/ S.C

//FORWARDED BY ORDER//

SECTION OFFICER

